

Taxable Year of Original Return  
beginning \_\_\_\_\_, \_\_\_\_\_ and ending \_\_\_\_\_, \_\_\_\_\_

**2008**

PLEASE DO NOT WRITE IN THIS SPACE

Please Type or Print

First Name(s) and Initial(s)

Last Name

Home Address (Number and Street or Rural Route and Box Number)

Your Social Security Number

Spouse's Social Security Number

City, Town, or Post Office

State

Zip Code

(1) ☐ Farmer/Rancher (2) ☐ Active Military

(3) ☐ Deceased taxpayer(s) (first name(s) & date(s) of death)

**Are you filing this amended return because:**

a. The Nebraska Department of Revenue has notified you that your return will be audited? ☐ YES ☐ NO

b. The Internal Revenue Service has corrected your federal return? ☐ YES ☐ NO

If Yes, identify office: \_\_\_\_\_

and attach a copy of changes from Internal Revenue Service.

**Are you filing for a refund based on:**

a. The filing of a federal amended return or claim for refund? ☐ YES ☐ NO  
Attach copies of Federal Form 1045 or 1040X and supporting schedules.

b. Carryback of a net operating loss or IRC § 1256 loss? ☐ YES ☐ NO  
If Yes, year of loss: \_\_\_\_\_ Amount: \$ \_\_\_\_\_

Attach copies of Federal Form 1045 or 1040X and supporting schedules, including Nebraska NOL Worksheet.

**1 FEDERAL FILING STATUS (check only one for each return):**

	Original	Amended
(1) Single	<input type="checkbox"/>	<input type="checkbox"/>
(2) Married, filing jointly	<input type="checkbox"/>	<input type="checkbox"/>
(3) Married, filing separately	<input type="checkbox"/>	<input type="checkbox"/>
Spouse's SSN: _____		
(4) Head of household	<input type="checkbox"/>	<input type="checkbox"/>
(5) Widow(er) with dependent child(ren)	<input type="checkbox"/>	<input type="checkbox"/>

**2 CHECK IF (on federal return):**

	Original	Amended
(1) You were 65 or over	<input type="checkbox"/>	<input type="checkbox"/>
(2) You were blind	<input type="checkbox"/>	<input type="checkbox"/>
(3) Spouse was 65 or over	<input type="checkbox"/>	<input type="checkbox"/>
(4) Spouse was blind	<input type="checkbox"/>	<input type="checkbox"/>
(5) You or your spouse can be claimed as a dependent on another person's return	<input type="checkbox"/>	<input type="checkbox"/>

**3 TYPE OF RETURN BEING FILED**

	Original	Amended
(1) Resident	<input type="checkbox"/>	<input type="checkbox"/>
(2) Partial-year resident	<input type="checkbox"/>	<input type="checkbox"/>
from _____ to _____		
(3) Nonresident	<input type="checkbox"/>	<input type="checkbox"/>

**4 Federal exemptions (number of exemptions claimed on your federal return) . . . . .**

**4**

Computation of Tax	(A) As Reported or Adjusted	(B) Net Change	(C) Correct Amount
<b>5</b> Federal adjusted gross income (AGI) . . . . .	<b>5</b>		<b>5</b>
<b>6</b> Nebraska standard deduction (see Form 1040N instructions)	<b>6</b>		<b>6</b>
<b>7</b> Total itemized deductions (see instructions) . . . . .	<b>7</b>		<b>7</b>
<b>8</b> State and local income tax included in line 7 . . . . .	<b>8</b>		<b>8</b>
<b>9</b> Nebraska itemized deductions (line 7 minus line 8) . . . . .	<b>9</b>		<b>9</b>
<b>10</b> Amount from line 6 or line 9, whichever is greater . . . . .	<b>10</b>		<b>10</b>
<b>11</b> Nebr. income before adjustments (line 5 minus line 10) . . . . .	<b>11</b>		<b>11</b>
<b>12</b> Adjustments increasing federal AGI . . . . .	<b>12</b>		<b>12</b>
<b>13</b> Adjustments decreasing federal AGI . . . . .	<b>13</b>		<b>13</b>
<b>14</b> Nebraska tax table income (line 11 plus line 12 minus line 13) . . . . .	<b>14</b>		<b>14</b>
<b>15</b> Nebraska income tax . . . . .	<b>15</b>		<b>15</b>
<b>16</b> Nebraska minimum or other tax . . . . .	<b>16</b>		<b>16</b>
<b>17</b> Total Nebraska income tax (line 15 plus line 16) . . . . .	<b>17</b>		<b>17</b>

**NEBRASKA DEPARTMENT OF REVENUE USE ONLY:**

Int. Type

Int. Calc. Date

Para. Code

**COMPLETE REVERSE SIDE**

**www.revenue.ne.gov, (800) 742-7474 (toll free in NE and IA), (402) 471-5729**

Computation of Tax	(A) As Reported or Adjusted	(B) Net Change	(C) Correct Amount
18 Amount from line 17 . . . . .	18		18
19 Nebraska personal exemption credit . . . . .	19		19
20 Credit for tax paid to another state . . . . .	20		20
21 Credit for the elderly or the disabled . . . . .	21		21
22 CDAA credit . . . . .	22		22
23 Form 3800N nonrefundable credit . . . . .	23		23
24 Nebraska child/dependent care credit . . . . .	24		24
25 Nebraska Charitable Endowment Tax credit . . . . .	25		25
26 Credit for financial institution tax . . . . .	26		26
27 Total nonrefundable credits (total of lines 19 through 26) . .	27		27
28 Line 18 minus line 27 (if less than zero, enter -0-) (see instructions) . . . . .	28		28
29 Nebraska income tax withheld . . . . .	29		29
30 Estimated tax payments . . . . .	30		30
31 Form 3800N refundable credit . . . . .	31		31
32 Nebraska child/dependent care refundable credit . . . . .	32		32
33 Beginning Farmer credit . . . . .	33		33
34 Nebraska earned income credit. Number of qualifying children 97 <input type="text"/> Federal credit 98 <input type="text"/> x .10 (10%). Partial-year residents complete lines 73 and 74 . . .	34		34
35 Amount paid with original return, plus additional tax payments made after it was filed . . . . .	35		35
36 Total payments (total of lines 29 through 35, column C) . . . . .	36		36
37 Overpayment allowed on original return, plus additional overpayments of tax allowed after it was filed . . . . .	37		37
38 Line 36 minus line 37 . . . . .	38		38
39 Penalty for underpayment of estimated tax . . . . .	39		39
40 <b>Total tax and penalty for underpayment of estimated tax.</b> (Total line 28 plus line 39) . . . . .	40		40
41 <b>TOTAL AMOUNT DUE.</b> If line 38, column C is less than line 40, subtract line 38 from line 40, column C and enter result. Otherwise, skip to line 45 . . . . .	41		41
42 Penalty (see instructions) . . . . .	42		42
43 Interest (see instructions) . . . . .	43		43
44 Total BALANCE DUE (total of lines 41 through 43). Pay in full with this return . . . . .	44		44
45 REFUND to be received (If line 38 is more than line 40 subtract line 40 from line 38) (Allow three months for your refund) . . . . .	45		45

### Explanation of Changes

• Attach additional sheets or schedules if necessary • Reference net change (Column B) and line number

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is correct and complete.

**sign  
here**

Your Signature

Date

Signature of Preparer Other than Taxpayer

Date

Spouse's Signature (if married, filing jointly, **both** must sign)

Daytime Phone

Preparer's Address

Daytime Phone

E-mail Address

Mail this return and payment to: **NEBRASKA DEPARTMENT OF REVENUE, P.O. BOX 98911, LINCOLN, NE 68509-8911**



**NEBRASKA SCHEDULE I—Nebraska Adjustments to Income**  
**NEBRASKA SCHEDULE II—Credit for Tax Paid to Another State**  
**NEBRASKA SCHEDULE III—Computation of Nebraska Tax**

**FORM 1040XN**  
**2008**

Name as Shown on Form 1040XN

Social Security Number

**Nebraska Schedule I—Nebraska Adjustments to Income**  
**for Nebraska Residents, Nonresidents, and Partial-Year Residents**

**PART A—Adjustments Increasing Federal Adjusted Gross Income**

46	Total adjustments increasing income (include interest from non-Nebraska state and local obligations). Enter here and on line 12 of Form 1040XN. List the item(s) being changed	(A) As Reported or Adjusted	(B) Net Change	(C) Correct Amount
46				46

**PART B—Adjustments Decreasing Federal Adjusted Gross Income**

47	State income tax refund deduction.....	47		47	
48	Interest or dividend income from U.S. obligations .....	48		48	
49	Tier I or II benefits paid by the Railroad Retirement Board..	49		49	
50	Special capital gains/extraordinary dividends deduction.....	50		50	
51	Nebraska College Savings Plan.....	51		51	
52	Bonus depreciation subtraction (see instructions) .....	52		52	
53	Enhanced section 179 subtraction (see instructions).....	53		53	
54	Nebraska Long-Term Care Savings Plan.....	54		54	
55	Other adjustments decreasing income.....	55		55	
56	Total adjustments decreasing income (add lines 47 through 55). Enter here and on line 13, Form 1040XN .....	56		56	

**Nebraska Schedule II—Credit for Tax Paid to Another State for Full-Year Residents Only**

• If line 58 or 60 is amended, a copy of the return filed with another state must be attached

	(A) As Reported or Adjusted	(B) Net Change	(C) Correct Amount
57	Total Nebraska income tax (line 17, Form 1040XN) .....	57	
58	Adjusted gross income from another state (do not enter amount of taxable income from the other state).....	58	
59	Computed tax credit    Line 58 <input type="text"/> x Line 57 <input type="text"/> Line 5 + Line 12 - Line 13 = Total <input type="text"/>	59	
60	Tax due and paid to another state (do not enter amount withheld for the other state).....	60	
61	Maximum tax credit (line 57, 59, or 60, whichever is least) Enter amount here and on line 20, Form 1040XN .....	61	

**Nebraska Schedule III—Computation of Nebraska Tax**

• Nonresidents and partial-year residents complete lines 62 through 74 below

	(A) As Reported or Adjusted	(B) Net Change	(C) Correct Amount
62	Income derived from Nebraska sources .....	62	
63	Adjustments as applied to Nebraska income, if any.....	63	
64	Nebraska adjusted gross income (line 62 minus line 63).....	64	
65	Ratio – Nebraska's share of the total income (round to four decimal places):  Line 64 <input type="text"/> = Line 5 + Line 12 - Line 13 = Total <input type="text"/>	65	
66	Nebraska tax table income (from line 14, Form 1040XN) ....	66	
67	Nebraska total income tax (see instructions): \$ _____, minus credits: \$ _____. Enter difference here .....	67	
68	Enter <b>personal exemption credit</b> (if any) .....	68	
69	Difference (line 67 minus line 68) (if less than -0-, enter -0-)	69	
70	Nebraska share of line 69 (multiply line 69 by line 65 ratio). Enter here and on line 15, Form 1040XN .....	70	
71	Nebraska minimum and other taxes (see instructions) .....	71	
72	Nebraska share of line 71 (multiply line 71 by line 65 ratio). Enter here and on line 16, Form 1040XN .....	72	
73	Earned income credit (Partial-year residents only) Number of qualifying children <input type="text"/> Federal earned income credit <input type="text"/> x .10 (10%) ...	73	
74	Multiply line 73 by line 65 ratio. Enter here and on line 34 ....	74	

**FOR NEBRASKA DEPARTMENT OF REVENUE USE ONLY**

CY/CO      End Spec.      Camp. Contr.      Previous Penalty      Previous Interest

# AMENDED NEBRASKA INDIVIDUAL INCOME TAX RETURN for Tax Year 2008

This Form 1040XN is to be used **only** when the return for tax year 2008 is amended. If you originally filed Form 1040NS, see the special instructions below.

## INSTRUCTIONS

**AN AMENDED NEBRASKA INDIVIDUAL INCOME TAX RETURN**, Form 1040XN, is filed whenever the taxpayer's federal or another state's tax return for 2008 is amended or corrected, or whenever the information on a Nebraska return previously filed is not correct. Form 1040XN may only be filed after the Nebraska Individual Income Tax Return, Form 1040N or Form 1040NS, has been filed or the taxpayer has filed using one of the Department's electronic filing programs.

The amended return is due 60 days after filing an amended federal return or after an Internal Revenue Service correction becomes final. A correction is final, even though the taxpayer and the IRS are still contesting the amount due, whenever one of the following has occurred:

1. The tax has been paid by the taxpayer;
2. The examining officer's findings have been accepted by the taxpayer;
3. A closing agreement has been approved by the IRS; or
4. A decision of a court has become final.

The amended return reporting a change or correction in another state's return is also due within 60 days after an amended return is filed or the correction becomes final.

Attach copies of the federal claim for refund, the audit determination of the IRS, or the amended federal or state return to the amended Nebraska return. Except as otherwise noted, the Form 1040XN used to claim a refund must be filed within three years from the time the original return was filed, or within two years from the time the tax was paid, whichever is later. Form 1040XN must be filed to claim a refund resulting from a federal or state change within two years and 90 days following the final determination of such change (but not more than ten years from the due date of the original return in the case of a change made by another state). Interest on such refunds will cease to accrue after the 60th day if the amended return has not been filed within 60 days after the change. Attach a copy of any federal or state document relating to the federal or state change which establishes the timeliness of the refund claim.

A hearing may be requested when filing for a refund on Form 1040XN by writing the request on the Explanation of Changes, Form 1040XN.

**PROTECTIVE CLAIM.** An amended return based on the filing of a federal protective claim with the IRS does not require the filing of an amended Nebraska return as a protective claim. The payment by the IRS of a refund on a protective claim is a federal change that must be reported within 60 days of such refund.

**NEBRASKA NET OPERATING LOSS.** If you are carrying back a Nebraska net operating loss, you must attach a copy of the Nebraska Net Operating Loss Worksheet, Form NOL, and a copy of either Federal Form 1045 or 1040X and all supporting schedules. The amount of any federal NOL deduction is entered on line 46 of Schedule I, and the amount of the Nebraska NOL is entered on line 55 of Schedule I.

**AMENDING AN ELECTRONICALLY FILED RETURN.** Electronically filed returns are amended by filing a paper Form 1040XN. Amounts and other information needed for completing the amended return should be available on your computer's hard drive or from printed copies of the return. If help is needed in completing the amended return, contact Taxpayer Assistance.

**TAXPAYER ASSISTANCE** is available at the Nebraska Department of Revenue offices located in Grand Island, Lincoln, Norfolk, North Platte, Omaha, and Scottsbluff.

The addresses and phone numbers are shown on page 4 of these instructions. Hours are 8 a.m. to 5 p.m., Monday through Friday, and at such other times and places as may be announced.

**Confidential tax information** will be given only by return telephone call after the caller's identity has been established. A representative of a taxpayer requesting confidential tax information must have a power of attorney on file with the Department before any information will be released. An income tax return signed by the preparer is considered a limited power of attorney authorizing the Department to release to the preparer only the information contained on that return.

## SPECIFIC INSTRUCTIONS

### SPECIAL INSTRUCTIONS IF FORM 1040NS WAS FILED.

When amending Form 1040NS, enter the information from Form 1040NS on the following lines of Column A (the corresponding line numbers from Form 1040NS are listed in parenthesis): lines 1 (1), 2 (2), 4 (5), 5 (3), 6 (4), 14 (6), 15 (7), 19 (8), 28 (9), and 29 (10). Other lines must be completed as applicable. Line 3 of Form 1040XN should be completed by checking the "resident" box for the original return.

**LINE 1.** A change in the filing status can only be made when the federal filing status has been changed. An exception is made when a married, filing jointly federal return was filed and the residencies of the spouses are different.

The residencies are different when, during all or some part of the year, one spouse is a Nebraska resident and the other spouse is a nonresident at the same time. A couple with different residencies may file original returns with Nebraska on either a married, filing jointly return or a married, filing separately return basis.

A couple who has filed separate Nebraska returns may elect, either before or after the original return is due, to file a married, filing jointly return with Nebraska. They are then taxed as though both were Nebraska residents during the time either was a resident.

A couple with different residencies who filed a married, filing jointly Nebraska return and wish to change to married, filing separately returns must satisfy the following conditions:

1. Both spouses must file a separate Nebraska return with a "married, filing separately" status. The spouse whose social security number was listed first must file an Amended Nebraska Individual Income Tax Return, Form 1040XN. The spouse whose social security number was listed as the "spouse's social security number" on the original return will file a Nebraska Individual Income Tax Return, Form 1040N.
2. A copy of the actual federal married, filing jointly return and copies of federal returns recomputed on a married, filing separately basis must be attached to each of the spouses' returns.
3. Each Nebraska return as required in "1." above, must include the full name and social security number of the other spouse.
4. Both spouses must sign each Nebraska return as required in "1."

**LINE 2.** Check the appropriate boxes if you or your spouse were 65 or over, blind, or could be claimed as a dependent on another person's return.

**LINE 3, TYPE OF RETURN BEING FILED.** Residency is determined in accordance with the Form 1040N instructions.

Military servicemembers can refer to the Nebraska Income Tax for Military Servicemembers and Civilians Working with U.S. Forces in Combat Zones Information Guide at [www.revenue.ne.gov](http://www.revenue.ne.gov).

**LINE 5.** Enter adjusted gross income from your federal return.

**LINE 6.** Nebraska has its own standard deduction. Consult Form 1040N instructions for more information.

**LINES 7 THROUGH 9.** Only taxpayers who itemized deductions federally should complete these lines. If federal adjusted gross income (AGI) is such that your federal itemized deductions are limited, consult the original Form 1040N instructions. Enter the amount from the worksheet on line 7. Nebraska itemized deductions (line 9) are calculated by subtracting line 8 from line 7 (the result should not be less than -0-). If the result on line 9 is less than the amount of the standard deduction to which you were entitled on line 6, then enter the line 6 amount on line 10.

**LINE 10.** Enter line 6 amount or, if you itemized deductions on your Federal Form 1040, and line 9 is greater than line 6, enter line 9.

**LINE 12.** Enter amount from Amended Nebraska Individual Income Tax Return, Form 1040XN, line 46, Schedule I.

**LINE 13.** Enter amount from Amended Nebraska Individual Income Tax Return, Form 1040XN, line 56, Schedule I. **Complete Schedule I to change state income tax refund even if Schedule I was not filed with your original return.**

**LINE 15.** Use the Nebraska Tax Table and Additional Tax Rate Schedule to determine the Nebraska income tax. Nonresidents and partial-year residents must complete Schedule III.

**LINE 16. NEBRASKA MINIMUM OR OTHER TAX** is the sum of (1) federal **alternative minimum tax**, (2) federal tax on **lump-sum distributions of qualified retirement plans**, and (3) federal tax on **early distributions of qualified retirement plans**; multiplied by 29.6 percent.

**USE THE FOLLOWING WORKSHEET to calculate Nebraska minimum or other tax.**

NEBRASKA MINIMUM OR OTHER TAX WORKSHEET	
1. Alternative minimum tax, amount on Federal Form 6251 recalculated for Nebraska in accordance with Neb. Rev. Rul. 22-08-1 .....	\$ _____
2. Tax on lump-sum distributions (enter federal tax amount from Fed. Form 4972) .....	_____
3. Tax on early distributions from an IRA or qualified retirement plan (enter federal tax amount) .....	_____
4. <b>SUBTOTAL (add lines 1 through 3) .....</b>	_____
5. <b>TOTAL (line 4 multiplied by .296) .....</b>	\$ _____
<b>ENTER THIS TOTAL ON LINE 16, FORM 1040XN</b>	
<b>Nonresidents and partial-year residents, enter result on line 71, Nebraska Schedule III</b>	

**Attach a copy of your Federal Form 4972, Form 5329 (Form 1040 if 5329 is not required), or Form 6251 recalculated for Nebraska if you are amending the tax previously reported.**

**LINE 17.** Total Nebraska income tax is the sum of lines 15 and 16. If line 17 is changed, and you had previously claimed a credit for tax paid to another state, enter the revised tax amount on line 57 of Nebraska Schedule II, and complete the rest of the schedule.

**LINE 19.** Nebraska resident individuals are allowed a personal exemption credit for each federal personal exemption. The amount is \$113 for 2008.

Nonresidents and partial-year residents claim the personal exemption credit on line 68, Schedule III.

**LINE 20, CREDIT FOR TAX PAID TO ANOTHER STATE.** If line 17 is changed, complete Schedule II of Form 1040XN to determine the amount to enter on line 20, column C. If the other state's return is amended or changed by the other state, file Form 1040XN, including Schedule II, to report the change. Explain

any change in detail on Nebraska Explanation of Changes. Attach a copy of the other state's corrected return.

See Schedule II instructions on page 4 for additional information.

**LINE 21, CREDIT FOR THE ELDERLY OR THE DISABLED.** Nebraska residents are allowed a nonrefundable credit equal to 100 percent of the allowable federal credit. Full-year residents should enter the credit on line 21, and partial-year residents should include the credit on line 67, Schedule III. If you are correcting this credit, the change must be explained in detail on Nebraska Explanation of Changes. A copy of the corrected Federal Schedule R, or Schedule 3, Federal Form 1040A, must be attached to verify any change in the Nebraska credit.

**LINE 22, COMMUNITY DEVELOPMENT ASSISTANCE ACT (CDA) CREDIT.** Individuals are allowed a credit for contributions made to a community betterment organization approved by the Department of Economic Development.

Attach the Nebraska Community Development Assistance Act Credit Computation, Form CDN, to the Form 1040XN if this credit is being claimed or amended.

**LINE 23, FORM 3800N NONREFUNDABLE CREDIT.** If you are correcting the amount of Nebraska Employment and Investment Credit, copies of the original and corrected credit computations (Form 3800N) must be attached.

**LINE 24, CREDIT FOR CHILD/DEPENDENT CARE EXPENSES.** Nebraska residents with AGI of more than \$29,000 are allowed a nonrefundable credit equal to 25 percent of the allowable federal credit. Full-year residents should enter the credit on line 24, and partial-year residents should include the credit on line 67, Schedule III. If you are correcting this credit, the change must be explained in detail on Nebraska Explanation of Changes.

**LINE 25, NEBRASKA CHARITABLE ENDOWMENT TAX CREDIT.** Attach supporting documentation if this credit is changed.

**LINE 26, CREDIT FOR FINANCIAL INSTITUTION TAX.** Attach supporting documentation if this credit is changed.

**LINE 27.** If the result is more than your federal tax liability before credits, and your adjustments increasing income (Schedule I, line 46) are less than \$5,000, see the Form 1040N instructions.

**LINE 29, NEBRASKA INCOME TAX WITHHELD.** If you are correcting the amount of income tax withheld on line 29, you must attach a Nebraska copy of any additional or corrected Wage and Tax Statements, Federal Forms W-2, which were not filed with your original return.

Nonresidents are to include on line 29 the credit for Nebraska income tax paid on their behalf by a partnership, S corporation, limited liability company, estate, or trust as reported on Form 14N.

**LINE 30, ESTIMATED TAX PAYMENTS.** Enter the total Nebraska estimated income tax paid for the taxable year you are amending. Include the income tax credit which was not refunded to you from the previous tax year. If the amount on line 30, column C, is greater than the amount on line 30, column A, you must attach copies of all of your payments (canceled checks or money orders) of Nebraska estimated income tax for tax year 2008.

**LINE 31, FORM 3800N REFUNDABLE CREDIT.** If you are correcting the amount of Nebraska Employment and Investment Credit, copies of the original and corrected credit computations (Form 3800N) must be attached.

**LINE 32, REFUNDABLE CREDIT FOR CHILD/DEPENDENT CARE EXPENSES (if AGI is \$29,000, or less).** See the Form 1040N instructions for information on this credit. (Attach documentation if either of these credits is changed).

**LINE 33, BEGINNING FARMER CREDIT.** Attach documentation if this credit is changed.

**LINE 34, NEBRASKA EARNED INCOME TAX CREDIT.** Complete line 34 and attach documentation of any change in this credit. Include pages 1 and 2 of your federal return.



**LINE 35, AMOUNT PAID.** Enter the amount of tax paid with the original return plus any tax payments for the same taxable year made after the filing of your original return. Do not include the portion of a payment which was for interest or penalty.

**LINE 37, OVERPAYMENTS ALLOWED.** Enter the amount of overpayment allowed on your original return, previous amended returns, or as later corrected by the Nebraska Department of Revenue. This includes both amounts refunded and amounts applied to the succeeding year's estimated tax. Do not include interest received on any refund.

**LINE 39. PENALTY FOR UNDERPAYMENT OF ESTIMATED TAX.** Enter any change in this penalty due to a change in tax liability or other change. A penalty for underpayment of estimated tax calculated on Form 2210N and reported on an original return cannot be changed unless an amended return is filed on or before the due date for the original return (including extension).

**LINE 42, PENALTY.** If your original return was not filed by the due date, or during the period of an extension, and line 41 minus line 39 indicates a tax due, it is necessary to calculate a penalty for failure to file in a timely manner. Multiply the result of line 41 minus line 39 by five percent per month or fraction of a month, but not more than a total of 25 percent, from the due date or extended filing date until the original return was filed. Enter the result on line 42.

If this amended return is being filed because of a change made by the IRS and the IRS assessed a penalty, multiply the result of line 41 minus line 39 by five percent. Enter the result on line 42. If both the penalty for failure to file in a timely manner and the penalty because of an IRS assessment are calculated, enter the larger amount on line 42.

Additional penalties may be imposed by the Department for:

1. Failure to pay tax when due;
2. Failure to file an amended return when required;
3. Preparing or filing a fraudulent income tax return;
4. Understatement of income on an income tax return; or
5. Underpayment of estimated tax.

**Line 43, INTEREST.** If line 41 is greater than line 39, tax is due. Interest is also due on the result of line 41 minus line 39 at the statutory rate from the original due date to the date the tax is paid. Consult Revenue Ruling 99-08-1 at [www.revenue.ne.gov](http://www.revenue.ne.gov) to determine the appropriate interest rate(s) to use. Otherwise, contact Taxpayers' Assistance at (800) 742-7474 (toll free in Nebraska and Iowa), or call (402) 471-5729.

**LINE 44, TOTAL BALANCE DUE.** Enter the total of lines 41 through 43. Attach check or money order payable to the Nebraska Department of Revenue, and all required schedules to your amended return and mail to the Nebraska Department of Revenue, P.O. Box 98911, Lincoln, Nebraska 68509-8911. Payment can also be made by credit card. Visit [www.revenue.ne.gov](http://www.revenue.ne.gov) for details about this option. Checks written to the Department of Revenue may be presented for payment electronically.

**LINE 45, REFUND.** Enter the overpayment amount. This will be refunded separately from an amount claimed as an overpayment on your original return. An amount less than \$2.00 will not be refunded. None of the overpayment will be applied to estimated tax.

If you are due interest on a refund, it will be calculated by the Department and added to the amount shown on line 45.

If a taxpayer has an existing tax liability of any kind with the Department, an overpayment shown on this return may be applied to such liability. The Department will notify the taxpayer if the overpayment has been applied against another tax liability.

#### EXPLANATION OF CHANGES

Print or type your explanation of changes on Form 1040XN, or attach a schedule for each change reported on this return or entered in column B, lines 5 through 34. Attach a copy of each federal form used in reporting the change. If you are filing an amended return due to an audit by the IRS or the Nebraska Department of Revenue,

attach a dated copy of the audit determination. If you are filing for an income tax refund due to a carryback of a Nebraska net operating loss, you must attach a copy of either Federal Form 1045 or 1040X and all supporting schedules and a copy of Nebraska Net Operating Loss Worksheet. If you are filing an amended return due to a change in Nebraska credits claimed, attach the applicable schedule, form, or other state's return or audit determination.

**SIGNATURES.** Both husband and wife are to sign their married, filing jointly return. If another person signs this return for the taxpayer, a copy of a power of attorney or court order authorizing the person to sign the return must be on file with this Department or attached to this return.

Any person who is paid for preparing a taxpayer's return must also sign the return as preparer.

**DECEASED TAXPAYERS.** Attach Form 1310N if a refund is being claimed on behalf of a taxpayer (or taxpayers) who have died.

#### INSTRUCTIONS FOR NEBRASKA SCHEDULE I Nebraska Adjustments to Income for Nebraska Residents, Nonresidents, and Partial-Year Residents

**LINE 46, TOTAL ADJUSTMENTS INCREASING INCOME.** Interest from non-Nebraska state and local municipal obligations is taxable income for the state.

An S corporation's or limited liability company's loss distribution from non-Nebraska sources increases income and is reported on line 46.

Any federal NOL deduction used in calculating federal AGI on line 5 must be reported on line 46.

Include on line 46 any credit for financial institution tax reported on line 26. Also include any Long-Term Care Savings Plan or College Savings Plan recapture.

**LINES 47 THROUGH 56, TOTAL ADJUSTMENTS DECREASING FEDERAL ADJUSTED GROSS INCOME.**

Adjustments decreasing Nebraska taxable income, such as state income tax refund, interest or dividend income from U.S. government bonds and other U.S. obligations, Tier I or Tier II benefits paid by the Railroad Retirement Board; and bonus depreciation and enhanced section 179 subtractions can be deducted from income for Nebraska income tax purposes.

List the source of any adjustments on an attached schedule. A list of qualifying U.S. government obligations is included in Regulation 22-002, [www.revenue.ne.gov/legal/regs/indirecttax.htm#002](http://www.revenue.ne.gov/legal/regs/indirecttax.htm#002). Interest income derived from the following sources is subject to Nebraska income tax and cannot be included in the amount on line 48:

1. Savings and loan associations or credit unions;
2. Mortgage participation certificates issued by the Federal National Mortgage Association;
3. Washington D.C. Metropolitan Area Transit Authority bonds;
4. Interest on federal income tax refunds; and
5. Gains on the sale of tax-exempt municipal bonds and U.S. government obligations.

If the interest or dividend income from U.S. government obligations is derived from a partnership, fiduciary, or S corporation, the partner, beneficiary, or shareholder claiming the Nebraska adjustment decreasing federal taxable income must attach the applicable Federal Schedule K-1.

**Special capital gains deduction.** If you are correcting the amount of special capital gains deduction, copies of the original and corrected Special Capital Gains/Extraordinary Dividend Election and Computation, Form 4797N, and Federal Schedule D must be attached.

**Native American Indians** residing on a Nebraska reservation with income derived from sources within the boundaries of the reservation may deduct such income on line 55.

**Resident military personnel cannot deduct military pay** as this is not an allowable adjustment decreasing federal taxable income.

**Residents are not allowed to deduct** income earned or derived outside Nebraska. However, a resident may be entitled to a credit for income tax paid to another state. See the instructions for Credit for Tax Paid to Another State, Nebraska Schedule II.

**LINE 52. BONUS DEPRECIATION SUBTRACTION.** Use this line to report any change in the amount of bonus depreciation subtraction previously reported. For tax year 2008, the subtraction is limited to 20 percent of the amount of any bonus depreciation add back reported in tax years 2000 through 2005. Attach a schedule.

**LINE 53, ENHANCED SECTION 179 SUBTRACTION.** For tax year 2008, the subtraction is 20 percent of the amount of any enhanced section 179 add back for 2003, 2004, and/or 2005.

**LINE 55.** Enter other adjustments decreasing income. An S corporation's or limited liability company's income distribution from non-Nebraska sources decreases income and is reported on line 55. A Nebraska NOL deduction is also reported on line 55.

**LINE 56.** Total adjustments decreasing taxable income are the sum of lines 47 through 55.

#### **INSTRUCTIONS FOR NEBRASKA SCHEDULE II** **Credit for Tax Paid to Another State** **for Full-Year Residents Only**

A credit for tax paid to another state is allowed only for full-year residents. A change on line 17, total Nebraska income tax, requires Credit for Tax Paid to Another State, Schedule II, to be recalculated. If the amended Schedule II on the back of Form 1040XN is not completed, adequate supporting schedules must be attached.

If the other state's return is amended or changed by the other state, Form 1040XN is to be filed to report the change in the credit for tax paid to the other state. Attach a complete copy of the corrected return including schedules and attachments or a copy of a letter or statement from the other state or subdivision indicating the amount of income reported and corrected tax paid. If the subdivision does not require that an income tax return be filed, attach a copy of the statement from the employer showing the corrected amount of tax withheld. Failure to attach supporting documents may cause the credit to be disallowed.

Refer to the instructions on Schedule II of Form 1040N for more details on the calculation and limitations of this credit.

**LINE 58 ADJUSTED GROSS INCOME FROM ANOTHER STATE.** If lines 58 or 60 are changed, a complete copy of the corrected return filed with another state must be attached. If the entire return is not attached, credit for tax paid to another state will not be allowed.

#### **INSTRUCTIONS FOR NEBRASKA SCHEDULE III**

##### **Computation of Nebraska Tax**

**NONRESIDENTS AND PARTIAL-YEAR RESIDENTS.** If you have income derived from Nebraska sources and you have Nebraska adjustments to income, you must first complete lines 46 through 56. Use the copy of your original return and instructions to make the necessary tax computations. Enter the amounts from lines 46 and 56 on lines 12 and 13 of Form 1040XN, respectively.

**LINE 62.** Income derived from Nebraska sources includes income from wages, interest, dividends, business, farming, partnerships, S corporations, limited liability companies, estates and trusts, gain or loss, rents and royalties, and personal services provided in Nebraska by nonresidents.

**LINE 65.** Calculate the ratio to at least five decimal places and round to four decimal places.

**LINE 67.** Use the Nebraska Tax Table and the Additional Tax Rate Schedule contained in the 2008 Form 1040N booklet to determine the total Nebraska income tax.

**Partial-year residents** should enter the Nebraska tax amount from the Nebraska Tax Table, based on line 66 income, plus any additional tax from the Additional Tax Rate Schedule, less their Nebraska credit for the elderly or the disabled, nonrefundable credit for child and dependent care expenses, the Beginning Farmer credit, the Nebraska Charitable Endowment Tax credit, the credit for financial institution tax, and credit for prior year minimum tax (AMT credit). See instructions for lines 21 through 33 for specific information. Also complete the partial-year dates in block 3 on the front page.

**Nonresidents** enter the Nebraska tax on the line 66 income amount from the Nebraska Tax Table, plus any additional tax from the Additional Tax Rate Schedule. Nonresidents are not allowed a Nebraska credit for the elderly or disabled, the Nebraska earned income credit, the Nebraska Charitable Endowment Tax credit, or a credit for child and dependent care expenses, but are allowed an AMT credit and the credit for financial institution tax.

**LINE 68.** Nonresidents and partial-year residents will enter the 2008 personal exemption credit of \$113 for each federal personal exemption claimed on line 4.

**LINE 69.** Subtract line 68 from line 67. If less than zero, enter -0-.

**LINE 70.** Multiply line 69 by line 65 ratio.

**LINE 71.** To calculate the Nebraska minimum or other tax, see the worksheet provided with the line 16, Form 1040XN instructions. Reduce the result by any unused exemption credit from line 69.

**LINES 73 AND 74.** Partial year residents use lines 73 and 74 to calculate their Nebraska earned income credit. Enter result on line 34.



#### **FOR NEBRASKA TAX ASSISTANCE**

**[www.revenue.ne.gov](http://www.revenue.ne.gov)**

Contact your regional office, or call **(800) 742-7474** (toll free in NE and IA), or **(402) 471-5729**.

##### **GRAND ISLAND**

TierOne Bank Building, Suite 460  
1811 West Second Street  
Grand Island, Nebraska 68803-5469  
**Telephone (308) 385-6067**

##### **LINCOLN**

Nebraska State Office Building  
301 Centennial Mall South  
Lincoln, Nebraska 68509-4818  
**Telephone (402) 471-5729**

##### **NORFOLK**

304 North 5th Street, Suite "D"  
Norfolk, Nebraska 68701-4091  
**Telephone (402) 370-3333**

##### **NORTH PLATTE**

Craft State Office Building  
200 South Silber Street  
North Platte, Nebraska 69101-4200  
**Telephone (308) 535-8250**

##### **OMAHA**

Nebraska State Office Building  
1313 Farnam-on-the-Mall  
Omaha, Nebraska 68102-1871  
**Telephone (402) 595-2065**

##### **SCOTTSBLUFF**

Panhandle State Office Complex  
4500 Avenue I, Box 1500  
Scottsbluff, Nebraska 69363-1500  
**Telephone (308) 632-1200**

For E-Commerce, call **(800) 433-8631**.

A TDD (Telecommunications Device for the Deaf) is available for deaf or hearing-impaired individuals. The dedicated access number is **(800) 382-9309**.

